

April 22, 2005

Mr. David Lewis
Bureau of Reclamation
2800 Cottage Way (MP-730)
Sacramento, CA 95825

Subject: Draft Environmental Assessment and Finding of No Significant Impact (DEA/FONSI) for the Municipal and Industrial Water Shortage Policy, Central Valley Project, California.

Dear Mr. Lewis:

The Santa Clara Valley Water District (District or SCVWD) has reviewed the Draft Environmental Assessment and Finding of No Significant Impact (DEA/FONSI) for the Municipal and Industrial Water Shortage Policy, Central Valley Project, California dated March 2005. The District serves both Central Valley Project (CVP) Municipal and Industrial (M&I) and Irrigation water in Santa Clara County. The District is the largest CVP M&I water user south of the Delta, serving approximately 1.7 million residents and the vital high-tech economy known as "Silicon Valley." We appreciate the opportunity to provide the following comments and corrections:

General Comments

The DEA /FONSI is supported by CALSIM II modeling to simulate operations of the CVP. In many places, readers are referred to Operating Criteria and Plan (OCAP) descriptions of CALSIM II and modeling assumptions. These are helpful references. However, many assumptions were used for the modeling in OCAP, and the DEA should clearly state which set of CALSIM II assumptions were used to support analysis of the M&I Water Shortage Policy.

In addition, the DEA should note the existence of the 1997 Water Reallocation Agreement approved by the Bureau of Reclamation, the San Luis & Delta-Mendota Water Authority, and the Santa Clara Valley Water District that resolved differences with respect to Irrigation and M&I water allocations under the Interim M&I Water Shortage Policy. That Agreement has an expiration date of December 31, 2022, and notwithstanding finalization of the Policy, will continue to affect the amount of M&I water scheduled by SCVWD. While it may not be necessary to incorporate the Agreement into the modeling done for this DEA, we believe it is important to recognize that this Agreement will continue to offset impacts to Irrigation contractors south of the Delta.

Specific Comments

ES-1 – Contracts that reference the Policy – The DEA states that Reclamation expects that the M&I Shortage Policy will not be referenced in contracts for the (1) Friant Division; (2) New Melones interim supply; (3) Hidden and Buchanan Units; (4) Cross Valley contractors; (5) Sugar Pine Units; (6) San Joaquin settlement contractors, and; (7) Sacramento River settlement contractors. It is not clear why the Cross Valley contractors are listed. Allocations to these contractors appear to be largely the same as other south of Delta Irrigation water service contractors.

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ES-1 and Page 1-3 – Study Period – The DEA states that the study period for Irrigation contracts is 25 years, or to the Year 2029. Because contracts are being signed in 2005, this should likely be changed to 2030. The same is true for the M&I-only contracts, which extend 40 years, or to the Year 2044. The SCVWD contract may extend beyond 2030, depending on the effective date of the contract.

Page ES-2: The document states that “In years when allocations to irrigation and M&I CVP water service contractors are less than contract totals, there are no “surplus flows.” It would be helpful if the document expanded the discussion to explain what is meant by “surplus flows”. For example, Section 215 water is often made available even in years when allocations to Irrigation and M&I are less than 100%.

ES-7 – Table discussing impacts of alternatives – For the No Action alternative, Reclamation has stated that “CVP water supply allocations in the future will be slightly less than under existing conditions.” The reason for this is not clear.

Chapter 1: Figure 1-1 should be modified to reflect all of Santa Clara County consistent with the study area in the Water Needs Assessment and analysis in Chapter 5. The District’s service area is established in State law to be the whole of Santa Clara County.

Chapter 2: It would be helpful to include a table showing M&I allocations under Alternative 1B compared to existing conditions. This table would include a comparison between the contractors’ 1996 CVP M&I Ratebook Schedule A-12 figures and the M&I water needs assessment amounts that are used for Alternative 1B. To provide some examples, the 1996 CVP M&I Ratebook Schedule amount for the City of Roseville was 32,000 acre-feet. The City’s Water Needs Assessment indicates a demand of 54,900 in 2025, of which 32,000 can be met from the CVP contract. Thus, there is no change. The same is true for Santa Clara Valley Water District. Setting forth all of these numbers in a single comparison table may be helpful.

Chapter 3: Reclamation has identified values for public health and safety based on standards developed by various water suppliers. Reclamation acknowledges the values chosen are not necessarily applicable to individual contractors, and that they will work with each contractor to develop specific public health and safety levels of water supply applicable to that contractor. The District agrees with this approach. The public health and safety values set forth in the DEA based on the gross assumption that 50 gallons per person per day is adequate may be too low. Specific operational, water supply, water quality or other constraints and conditions within a district may affect the public health and safety allocation needed from the CVP. Also, the assumption that system losses in urban water systems may be reduced by 20% during a drought year is unrealistic, particularly the assumption that 20% reductions could be achieved in each successive drought year.

The DEA should clarify that public health and safety allocations for commerce and industry includes water to support populations of workers who commute to a district’s service area. In Santa Clara County, a large percentage of jobs in the high-tech industry are performed by workers who commute daily from other parts of the Bay Area and the Central Valley. Disruption of the high-tech industry in Silicon Valley could also have broader implications for public safety, to the extent that national security and the world economy rely on such businesses in Santa Clara County.

Chapter 4: Page 4-44, under "Santa Clara Valley Water District".

First Paragraph: The District does not have "member agencies" as referenced in the first paragraph and the description of water supplies is not accurate. Please revise as follows:

"Santa Clara Valley Water District's service area encompasses all of Santa Clara County. Urban users are located throughout the county and agricultural users are primarily in the southern portion of the county. CVP water is used for municipal, industrial and irrigation uses and for groundwater recharge. The District manages water resources and wholesales treated water to retailers in Santa Clara County. The District provides surface water to on a wholesale basis to member municipal agencies within the county. The District's water supply comes from a variety of sources, however, conveyance constraints limit the flexibility with which these sources may be used throughout the County. On average, nearly half the annual supply is from local surface and groundwater, while the other half comes from imported water delivered by the CVP and State Water Project. The surface water is directly diverted by the district includes CVP water, State Water Project water, and local water rights. The district also monitors and manages the groundwater by making surface water available to the member agencies. During critically dry years, when local watersheds produce very little runoff, the County's need for imported water from the CVP and State Water Project increases substantially. Several of the municipalities in the County have contracts with the City and County of San Francisco for water from the Hetch-Hetchy Project. The District does not manage this water, but the supply helps reduce the demand for District supplies. Some of the member agencies also purchase water from the San Francisco Public Utilities Commission."

Second Paragraph: The DEA states the District's CVP water service contract is for 57,207 acre-feet. The correct quantity of the District's CVP contract is 152,500 acre-feet. The DEA states that the District's State Water Project contract is for 74,000 acre-feet. The correct State Water Project contract amount is 100,000 acre-feet. The last sentence of the second paragraph states "The district and member agencies withdraw an average of 33,000 af/year of groundwater." The District does not operate any groundwater wells and the estimate of groundwater use is inaccurate. The sentence should be revised as follows: *"Santa Clara County groundwater subbasins provide water supply for potable use and irrigation through pumping by retail water agencies and individual well owners. The District does not operate any water supply wells. As stated in the District's Water Needs Assessment, the estimated groundwater use in Santa Clara County is approximately 160,000 acre-feet/year, and the District uses The district and member agencies withdraw an average of 33,000 af/year of groundwater and uses about 164,800 about 168,500 acre-feet/year of water from other supplies including Hetch-Hetchy rights water, including purchases from San Francisco Public Utilities Commission and local water rights."*

Third Paragraph: The District's agricultural water demand in 2005 is stated as 57,207 acre-feet. SCVWD's Water Needs Assessment indicates agricultural water demand of 45,579 acre-feet.

Chapter 5: On page 5-26 and 5-39, under Cumulative Effects the DEA states: "However, the improved water supply allocations in drought years may encourage the existing and projected water users to continue to be located within the M&I water service contractors' service area." There is no supporting evidence for this statement, and we believe it to be inaccurate. The statement should be eliminated.

Table 5-24: The figures for SCVWD appear to be the ones for San Benito County Water District, and visa versa, and should be switched.

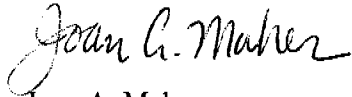
Mr. David Lewis

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The District appreciates Reclamation's work to evaluate the environmental impacts associated with finalizing the M&I Water Shortage Policy. The DEA should be revised to address the comments and corrections described above. If you have any questions, please contact Ms. Kellye Kennedy at (916) 447 1534.

Sincerely,

A handwritten signature in cursive script that reads "Joan A. Maher".

Joan A. Maher
Imported Water Unit Manager